



**Inspector
General**

Texas Health
and Human Services

Presentation to the Senate Finance Committee

Senate Bill 1, Article II

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Fiscal Year 2018 Accomplishments

- Strengthened managed care oversight
 - Increased the number and type of audits and inspections in managed care
 - Expanded medical utilization reviews to managed care
 - Investigated provider allegations of fraud, waste, or abuse across MCOs
 - Dedicated staff resources with managed care expertise to assess OIG business processes
 - Recommended MCO contract changes to improve detection of fraud, waste, and abuse in managed care
- Introduced more rigor, professionalism, and accountability
 - Developed dashboards containing performance metrics for each division
 - Increased number and array of professional trainings to improve core mission skills
 - Continued improvement of policies, procedures, and proactive communication to staff that increased understanding of job expectations



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Fiscal Year 2018 Accomplishments, Cont.

- Reinforced relationships with stakeholders
 - Regular meetings with stakeholders
 - Regional meetings with Medicaid providers and MCOs
 - Quarterly meetings with MCO Special Investigative Units dedicated to fraud, waste, and abuse
 - Collaborated with HHSC, MCOs, DMOs, and OAG through the Texas Fraud Prevention Partnership
- Focused on prevention
 - Initiated a prevention strategy
 - Produced publications related to identifying and reporting fraud, waste, and abuse for associations
- Recovered \$115M in FY18, a 17 percent increase

Fiscal Years 2018-19 / Senate Bill 1 Comparison

| Fiscal Years | General Revenue | All Funds | FTEs |
|------------------------------------|-----------------|----------------|-------|
| FY 2018-19 | \$45,624,772 | \$108,591,123 | 736 |
| FY 2020-21 LAR | \$57,952,560* | \$130,639,508* | 736 |
| FY 2020-21 SB 1 | \$45,507,980 | \$110,273,096 | 602 |
| Variance, FY 2018-19 to SB 1 | (\$116,792) | \$1,681,973 | (134) |

*includes original EI requests





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Exceptional Item 1

Automated System for the Office of Inspector General (ASOIG) Remediation

| \$ in Millions | FY20 | FY21 | Biennium |
|-----------------|-------|-------|----------|
| General Revenue | \$1.4 | \$0.4 | \$1.8 |
| All Funds | \$2.4 | \$0.7 | \$3.0* |

*Total appears different due to rounding

- Remediation will increase staff efficiency, reduce reporting risks, and improve data access
- ASOIG is a legacy system that operates inefficiently
- ASOIG is used to track the stages of a client referral through the investigations process in real-time
- Benefits Program Integrity identifies 1/3 of all of our recoveries using ASOIG for case management



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Exceptional Item 2

Improper Payment Recoveries

| \$ in Millions | FY20 | FY21 | Biennium |
|-----------------------|-------------|-------------|-----------------|
| General Revenue | \$0.4 | \$0.4 | \$0.8 |
| All Funds | \$0.8 | \$0.7 | \$1.5* |

*Total appears different due to rounding

- Requesting FTE authority and associated funding for 10 staff within the Benefits Program Integrity Division
- Additional investigators will protect the integrity of the Texas Medicaid system by:
 - improving client eligibility, and
 - increasing taxpayer dollars identified for recovery



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